

Message Text

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PAGE 01 BOGOTA 00890 281344Z
ACTION ARA-10

INFO OCT-01 ISO-00 ERDA-05 AID-05 CEA-01 CIAE-00 CIEP-01
COME-00 DODE-00 EB-08 FPC-01 H-01 INR-07 INT-05 L-03
NSAE-00 NSC-05 OMB-01 PM-04 USIA-06 OES-06 SP-02
SS-15 STR-04 TRSE-00 ACDA-07 FEA-01 /099 W
-----290238Z 087717 /70

R 272200Z JAN 77
FM AMEMBASSY BOGOTA
TO SECSTATE WASHDC 9587

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E.O. 11652: N/A
TAGS: ENRG, CO
SUBJ: GULF AND OCCIDENTAL OIL COMPANIES BEGIN PETROLEUM
EXPLORATION IN COLOMBIA

1. REPRESENTATIVES FROM GULF AND OCCIDENTAL PETROLEUM
ARE IN BOGOTA THIS WEEK DISCUSSING THE POSSIBILITY OF
ENTERING ASSOCIATION CONTRACTS WITH ECOPETROL. GULF IS
INTERESTED IN THE RELATIVELY UNEXPLORED ATRATO BASIN OF
THE CHOCO, IN OFFSHORE AREAS NEAR CARTAGENA AND IN NORTHERN
ARAUCA. GULF'S DECISION TO COME TO COLOMBIA IS STILL NOT
CERTAIN. WHILE GULF GEOLOGISTS ARE HIGHLY INTERESTED IN
THE CMLOMBIAN GEOLOGY, AND REGIONAL MANAGEMENT FEELS
CONFIDENT ABOUT THE INVESTMENT CLIMATE IN COLOMBIA, AP-
PARENTLY TOP MANAGEMENT REMAINS TO BE CONVINCED THAT
COLOMBIA IS POLITICALLY SUFFICIENTLY DIFFERENT FROM
HER SOUTHERN NEIGHBOR WHERE GULF HAS HAD ITS PROBLEMS.
OCCIDENTAL OIL, INVITED BY ECOPETROL TO VISIT COLOMBIA
AND REVIEW A NUMBER OF AREAS, IS ABOUT TO SIGN AN
ASSOCIATION CONTRACT FOR SEVERAL BLOCKS IN THE DE MARES
CONCESSION IN THE MIDDLE MAGDALENA. THE AREA HAS HAD
36 PREVIOUS DRY HOLES BUT OCCIDENTAL BELIEVES THE AREA
TO BE VERY PROMISING.

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2. WHILE THE INDUSTRY WIDE LACK OF LIQUIDITY HAS
HINDERED THE SPEED OF THE RESPONSE OF PETROLEUM
COMPANIES TO THE PRICE STRUCTURE ESTABLISHED IN MAY OF
LAST YEAR, THER WILL BE A SLIGHT PICK UP IN 1977. SOME
33 EXPLORATION WELLS WILL BE DRILLED THIS YEAR AND SEISMIC
EXPLORATION WILL BE STEPPED UP BY ALMOST ALL ASSOCIATION

PARTNERS. IN ADDITION, THE NEW PRICES NEGOTIATED FOR INCREMENTAL PRODUCTION WILL LEAD TO SOME 83 DEVELOPMENT OR SECONDARY RECOVERY WELLS (WELLS TO PUMP IN GAS OR WATER). THE DEVELOPMENTAL WORK WILL SLOW BUT NOT REVERSE THE DECLINE CURVE FOR ONLY THE COLBRAS HUILA FIELD IS NEW ENOUGH TO ACHIEVE AN INCREASE IN PRODUCTION. COLBRAS, THE ASSOCIATION BETWEEN ECOPETROL AND PETROBRAS, HOPES TO INCREASE PRODUCTION OF THE HUILA FIELD FROM 9 THOUSAND B/D TO 15, THOUSAND B/D OVER THE NEXT TWO YEARS. SANCHEZ

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM INDUSTRY, EXPLORATORY DRILLING
Control Number: n/a
Copy: SINGLE
Sent Date: 27-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BOGOTA00890
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770032-0328
Format: TEL
From: BOGOTA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770114/aaaaalxr.tel
Line Count: 72
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 15d038d0-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 11-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
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Review Release Date: n/a
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TAGS: ENRG, CO, GULF, OCCIDENTAL OIL
To: STATE
Type: TE
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